

IC 30-1-8

Chapter 8. Common Trust Funds

IC 30-1-8-1

Definitions

Sec. 1. The words and phrases used in this chapter shall be construed as follows:

(a) "Fiduciary" shall mean a bank or trust company undertaking to act alone or jointly with others primarily for the benefit of another in all matters connected with its undertaking and includes trustee, executor, administrator, personal representative, registrar of stocks and bonds, guardian of estates, assignee, receiver, managing agent and any other similar capacity.

(b) "Regulations" shall mean the regulations promulgated by the board of governors of the federal reserve system and the comptroller of currency in conformity with the federal Internal Revenue Code, as such regulations now exist or as they may be hereafter amended.

(c) "Participating interest" shall mean a proportionate undivided interest in all assets of the common trust fund for the time being, acquired by a fiduciary for cash, or in exchange for other assets.

(d) Words imputing the masculine gender shall be applied to and include all persons and corporations.

(Formerly: Acts 1949, c.70, s.1; Acts 1965, c.409, s.1.) As amended by Acts 1982, P.L.171, SEC.90.

IC 30-1-8-2

Establishment; conformity with Internal Revenue Code

Sec. 2. Any Indiana bank or trust company or any national bank, qualified to act as fiduciary in this state, may establish common trust funds in conformity with the provisions of Section 584 of the Internal Revenue Code, and the regulations promulgated thereunder, pertaining to the collective investment and reinvestment of trust funds by such banks and companies as fiduciaries or co-fiduciaries, and may lawfully purchase with funds which it holds for investment as such fiduciary or co-fiduciary participating interests in such common trust funds, if:

(1) such investment is not prohibited by the instrument or judgment creating such fiduciary relationship; and

(2) in any case where it is a co-fiduciary, the bank or trust company procures the written consent of its co-fiduciary to such investment. Such consent is hereby authorized.

(Formerly: Acts 1949, c.70, s.2.) As amended by P.L.2-1987, SEC.44.

IC 30-1-8-3

Written plans; rights of participants

Sec. 3. Each common trust fund administered by such bank shall be established and maintained in accordance with a written plan approved by a resolution of its board of directors and by competent legal counsel, which shall contain provisions not inconsistent with said regulations as to the manner in which the fund is to be operated,

and define the rights of participants therein.
(Formerly: Acts 1949, c.70, s.3.)

IC 30-1-8-4

Participation; proportionate interest

Sec. 4. Each fiduciary investment placed in every such common trust fund shall participate on the basis of a proportionate interest in all of the assets and income of the fund, and may be evidenced in writing or otherwise at the option of the bank administering the fund, but not in any form which purports to be negotiable or assignable.
(Formerly: Acts 1949, c.70, s.4.)

IC 30-1-8-5

Governing laws and regulations

Sec. 5. Investment and reinvestment of the money paid into every such fund shall be made, retained and disposed of in accordance with the laws of this state governing trustees, and with said regulations of the Board of Governors of the Federal Reserve System.
(Formerly: Acts 1949, c.70, s.5.)

IC 30-1-8-6 Repealed

(Repealed by P.L.80-1989, SEC.18.)

IC 30-1-8-7

Common trust funds for funds held by other bank, trust company, or affiliate as fiduciary

Sec. 7. (a) Any:

- (1) Indiana bank or trust company; or
- (2) national bank qualified to act as fiduciary and whose principal place of business is in Indiana;

may establish and maintain one (1) or more common trust funds in accordance with section 2 of this chapter for the funds held by the bank or trust company or any other bank or trust company, including an affiliate, in its capacity as administrator, executor, guardian, or trustee under will or trust agreement.

(b) The bank investing under subsection (a) in:

- (1) another qualified bank or trust company's common trust fund; or
- (2) a common trust fund established and maintained by any bank or trust company, including an affiliate, organized or reorganized under the laws of the United States or a state listed in IC 28-2-15-14;

shall not be deemed to be in derogation of IC 30-4-3-6(b)(11), relating to a fiduciary's delegation of authority to another person.

(Formerly: Acts 1973, P.L.292, SEC.1.) As amended by P.L.280-1987, SEC.4.